Economic Development Strategy Update

2002

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Introduction

In 1998 the City of Victoria partnered with local business leaders and service providers to create Victoria's ***Economic Development Strategy.*** The creation of this strategy was a cooperative process that included consulting and surveying local business owners and leaders. As the strategy was being formed business leaders and service providers targeted specific goals and agreed to undertake specific actions to help improve the local business climate.

The purpose of this document is to let you know what has been accomplished since the creation of Victoria's *Economic Development Strategy*.

This document highlights what we feel are innovative and cooperative accomplishments that have contributed to the goal of a more positive business climate in Victoria.

For additional information regarding specific initiatives mentioned in this report please contact the City of Victoria's Economic Development Division.

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Creating a Positive Business Climate

Priority Actions

- ✓ provide customer service excellence
- ✓ reduce policy and regulatory barriers
- ✓ advocate for business

Customer Service

✓ The City has developed a "one stop shopping" customer service counter at City Hall and is furthering customer service improvements by upgrading its web site and GIS system to allow for greater public interaction and ease of access to information.

Taxation

✓ The City has continued to keep tax rates well below the area average and in all but 1999 had no tax rate increase. In 2000 the City equalized business and residential taxes.

Business Licensing

✓ The inter-municipal business license was introduced in 2000 and is available for mobile businesses that perform their business in several different municipalities. Previously, a business that performed its business in several different municipalities was required to obtain separate and individual business licenses from each municipality. Each license had a different cost, category and application process. This process is now less complicated, streamlined and less expensive. The remainder of municipal business licenses in each municipality are now being assessed as to opportunities to simplify the number of business license categories, costs and application processes. An examination of cross-municipal business license categories and costs is being conducted in an attempt to create a standard cross-municipal business license application and fee structure.

Zoning

✓ A review of the City's zoning/rezoning process was completed in 1998 and changes were implemented to simplify the process. The City updated industrial zoning regulations to include a "technology zone" in the North Douglas Street area.

Economic Development

✓ The City of Victoria Economic Development Division acts as an internal advocate and customer service office for the business community. The primary focus of the Economic Development Division is the retention and expansion of local businesses. In partnership with the Downtown Victoria Business Association (DVBA) the Economic Development Division implemented ***BusinessCARE***, a business retention and expansion program that surveyed and visited local businesses and business service providers. In addition to *BusinessCARE*, businesses were surveyed and visited through the DVBA's ***Five Star Welcome*** Program and an annual Market Survey.

Business Outreach

✓ The Economic Development Division has developed a quarterly news bulletin ***City Business***, which highlights innovative local businesses and City programs.

Business Resources

✓ The Greater Victoria Economic Development Commission (GVEDC) has developed a quarterly resource booklet for the real estate industry to give to their clientele. *The Economy…. By the Numbers*, enables real estate agents to provide their clientele with credible third party confirmation of stability in the local economy and hence, an appropriate time to invest in real estate. This product has been available for one year.

Business Advocacy

✓ The Chamber of Commerce undertook several meetings with the Provincial Government on regionalization issues and the recommendations of the BC Business Task Force in order to lobby for changes to Municipal, Provincial and Federal legislation that impact negatively on local business.

Enhancing the Economic Vitality of Downtown

Priority Actions

- ✓ increase residential density
- ✓ increase cultural development and programming
- ✓ reduce commercial vacancies
- ✓ increase the economic potential of the harbour
- ✓ increase safety, security and cleanliness

Downtown Revitalization

✓ The City has been working cooperatively with the Urban Development Institute (UDI) to identify key development/redevelopment areas, which have been the focus for marketing and promotion, efforts. Harris Green is an area identified as a location for redevelopment. The City has completed phase one of the Harris Green street-scaping upgrades and has been promoting the area as a high priority for re-development. A prime example of a successful redevelopment project in Harris Green is the Mosaic Building, a government office building converted to residential and commercial uses. The City has invested $1 million in a Yates Street beautification project which is a part of the Harris Green initiative.

Heritage Tax Incentive Program

✓ The City's Planning Department has worked closely with the Heritage Foundation to communicate a new tax incentive program, which encourages building owners to develop upper stories for residential capacity. In addition to the tax incentive program ongoing regulations were reviewed by the City of Victoria Planning Department and amended to allow for the development of affordable work/live studios which are helping to attract small businesses closer to the downtown core.

New Downtown Signage

✓ The Downtown Victoria Business Association with the City of Victoria have developed a beautification and signage strategy for the city core. The signage, including information kiosks were installed between 2000 and 2002.

Arts & Culture

✓ The former Intermunicipal Arts Manager, Stephen Thorne completed an economic impact study ***Culture, Tourism and the New Economy: Realizing Victoria's Opportunity*** to quantify the value of the arts and cultural activity in the regional economy. For a copy of this report contact the City's Economic Development Division.

Festivals

✓ The Downtown Victoria Business Association along with the City, Tourism Victoria and festival organizers have worked to build recognition of Victoria as a **"City of Festivals"**. Umbrella marketing initiatives have increased the profile of our major festivals. Tourism Victoria promotes festivals throughout the year as destination events and as part of the overall ambience of Victoria. Festival organizers can apply for external marketing support from Tourism Victoria for festivals that add incremental overnight revenues for the destination.

Christmas Downtown

✓ The Downtown Victoria Business Association and Tourism Victoria co-founded **"A Victoria Christmas – A Season of New Traditions"**. This umbrella festival runs from mid November through early January annually and promotes a multitude of holiday happenings throughout Victoria. The DVBA coordinated a program of activities downtown during the holiday season and worked with the City of Victoria to build holiday decoration infrastructure for public spaces.

The Christmas Capital

- ✓ The Downtown Victoria Business Association and Tourism Victoria worked to develop Victoria as a **"Christmas Capital"** by increasing support for the season's promotion and lighting campaign. The City lights up City Hall and public spaces to support this initiative. This past Christmas saw the second phase of the lighting program and close to a dozen property owners who have taken advantage of a cost-sharing program. Funding has been made available for this project through the Victoria Civic Heritage Trust and the Federal and Provincial governments. In addition to the lighting program the DVBA produced a brochure to assist business owners with ordering decorations for the holiday season and encouraged decorating inside and outside businesses.

Summer in the Square

- ✓ The City has continued to develop quality programming in Centennial Square, i.e. **"Summer in the Square"** to increase pedestrian traffic to the north end of the city.

Downtown Buildings

- ✓ The City meets on an as needed basis with property managers of vacant buildings to discuss options and partnerships to promote the space and assist with conversion options. The City also works closely with the BC Buildings Corporation (BCBC) and the major educational institutions in order to stay apprised of plans and capitalize on partnership opportunities. The City worked closely with BCBC to bring the Insurance Corporation of BC (over 400 employees) to downtown Victoria.

Downtown Revitalization

- ✓ The Douglas and Broad Street revitalization projects were completed in 2000. These projects have helped to create more attractive areas for businesses, customers and residents.

Belleville Terminal

- ✓ The City has been working cooperatively with the Province and the Capital Commission to develop a plan for the redevelopment of the Belleville Terminal and Ship's Point lands. The Belleville Terminal is currently in the design phase. This project will integrate two active ferry terminals into a single facility and improve the pedestrian and traffic flow through the terminal.

Harbour Divestiture

- ✓ Through its membership in the ***Harbour Divestiture Partnership***, the City of Victoria has been actively involved in negotiating the terms for the transfer of Federal harbour assets to a local authority. As of Spring 2002 a divestiture agreement was signed and a new Harbour Authority formed.

Victoria Harbour Airport

- ✓ The Federal Government has certified Victoria as the first water airport in Canada. As part of this process Transport Canada has implemented a harbour vessel traffic scheme. Noise and air quality are monitored on an ongoing basis with input from residents. The City of Victoria works with Transport Canada officials and harbour residents to ensure that quality of life concerns are balanced with protection of this important economic asset.

Downtown Safety

- ✓ Progress of the Mayors Task Force recommendations has been measured in the Downtown Victoria Business Association market survey and Tourism Victoria exit surveys. The City has undertaken a review and Safety Audit of Centennial Square with the Police. As a result of these reviews the Police have established a Special Forces team for targeted enforcement. The City has worked cooperatively with community partners to establish a Youth Detox Centre, the Centre is funded by the Ministry of Children and Families and run by the Youth Empowerment Society and Coastal Community Services.

Downtown Vitality

✓ The Downtown Victoria Business Association implemented a media campaign to dispel the common myths about downtown and generate media coverage that portrays a more positive image of the downtown. Activities included: developing a special supplement for the Times Colonist newspaper that highlights new developments, local entrepreneurial success stories and business achievements, responding to negative media, and implementing the "Give Change" Program. Tourism Victoria along with the Chamber of Commerce, BC Yukon & Hotel Association and the Times Colonist were co-sponsors in the "Don't Give Them Money...Give Them Change!" campaign. The campaign was designed to create choices to help street people and also communicate street issues to Greater Victoria residents.

Improving Transportation Links

Priority Actions

- ✓ ensure fair and reasonable ferry costs
- ✓ integrate harbour transportation networks
- ✓ reduce tour bus congestion
- ✓ increase direct airline access to the U.S.

BC Ferries

- ✓ The Chamber of Commerce participates in the Coastal Council that meets with BC Ferries in an effort to lobby for fair and reasonable ferry costs on major commercial routes.

- ✓ Tourism Victoria CEO, Lorne Whyte, chaired the Financial Direction Committee of the BC Ferries Coastal Council encompassing all coastal communities serviced by BC Ferries. A copy of the report submitted to the Provincial Government and BC Ferries is available. The recommendation of the committee was for maximum increases equal to or less than the Consumer Price Index.

- ✓ Tourism Victoria created marketing partnerships in 1998 and 1999 with BC Ferries to promote the Leonardo da Vinci exhibit at the Royal BC Museum. The result was a substantial increase in incremental visitors and increased packaging involving multi-night stops from October 1998 through early March 1999.

Belleville Terminal

- ✓ The City has been working cooperatively with the Harbour Planning Committee to develop a plan for a new ferry terminal on Belleville Street. This project is in the design phase.

Tour Buses

- ✓ Tourism Victoria has worked with the City's Transportation Department to develop a brochure for Motor Coach Operators. This publication is distributed at incoming ferry terminals and is sent to motor coach operator headquarters. The aim of this publication is to denote the acceptable travel and parking practices throughout Victoria and educate motor coach operators about these practices. The Motor Coach Operators brochure also publicizes a motor coach parking lot on Harbor Road that was established by the City of Victoria.

Airline Access

- ✓ Local economic development organizations including; Tourism Victoria, the City, Chamber of Commerce and the Film Commission continue to work with the Victoria Airport Authority to increase the number of direct flights out of the Victoria International Airport.

Supporting Entrepreneurial Growth and Development

Priority Actions

- ✓ develop a proactive business retention strategy
- ✓ improve support for business development
- ✓ build and maintain a skilled labour force

Five Star Welcome

✓ Retaining and expanding local businesses is a priority and the primary goal for the City of Victoria. There are several initiatives which have helped to attain this goal, they include the Downtown Victoria Business Association's ***Five Star Welcome Program*** for new downtown businesses. This program won the Business Improvement Association of BC "Best in the West" award in 2000.

BusinessCARE – Victoria's Business Retention & Expansion Program

✓ The City's Economic Development Division has developed and implemented with partners a business retention and expansion visitation program called ***BusinessCARE Victoria***. As part of the *BusinessCARE Victoria* program the City has partnered with the Greater Victoria Economic Development Commission, Tourism Victoria, Downtown Victoria Business Association, Human Resources Development Canada, Victoria Real Estate Board and BC Hydro to offer a coordinated and proactive response to business issues.

Idea Centre

✓ VIATeC was instrumental in the development and implementation of ***BizAssist*** and the ***Idea Centre***, which were developed to inventory and network business support services and provide a central location for business assistance.

Victoria Connects

✓ The Greater Victoria Economic Development Commission has formed a partnership with the provincial Ministry of Small Business, Tourism and Culture and the federal department Western Economic Diversification (Industry Canada) along with the Canada/BC Business Service Centre to create a one-stop business resource centre called ***Victoria Connects***. This location eliminates the necessity of having new businesses go to several different government locations throughout the region in the process of starting a business. Additionally, *Victoria Connects* offers a resource business library, access to information on government funding programs, experienced staff to assist with information gathering, entrepreneurial development training, and consulting services — all under one roof.

Fibre Optics

✓ In order to meet technology infrastructure needs of small business and to maintain Victoria at the forefront of the information-based economy, the City has entered into agreements with Shaw and Telus to provide space for interconnecting the community at large through fiber optic cabling.

Workforce Development

✓ The City is working with two local groups, ***CREATE*** and ***Workforce 21*** to improve and enhance the linkages between business and education. *CREATE* is an initiative of the Vancouver Island Advanced Technology Association (VIATeC) and is working to determine the needs and gaps of training for advanced technology companies. The Greater Victoria Economic Development Commission is a leader and one of the facilitators of *Workforce 21*, a group representing K-12 and post-secondary education providers, employers, employment and re-training experts, business and major industries, human resource experts and youth programs. This group is working to identify and solve issues that affect our community's human resource challenges and ensuring that there are adequate and appropriate jobs and available skills in our future.

Marketing and Promoting Victoria

Priority Actions

- ✓ promote business excellence
- ✓ attract investment and increased business opportunity

City Communications

- ✓ The City has created a communications coordinator position, which has allowed the City to better promote Victoria as a positive and progressive place to live and do business. A marketing package, which includes a quarterly business newsletter, ***City Business***, and a local profile, ***Destination Victoria*** have been created and are used for trade shows and business retention and attraction efforts.

Chamber of Commerce - Times Colonist Supplement

- ✓ The Greater Victoria Chamber of Commerce has developed a business supplement, which appears in the Times Colonist once per month. This supplement highlights new developments, local entrepreneurial success stories and business achievements.

Cascadia – Pacific Northwest Initiatives

- ✓ The City and partners have strategically influenced pacific northwest economic groups in order to break down some of the cross border issues and develop new linkages. The City of Victoria hosted the Cascadia Mayor's Council in 1999.

Sister Cities

- ✓ Internationally the City has been working to strengthen business, cultural and educational connections in particular with our Twin Cities: Suzhou, China, Napier, New Zealand, Morioka, Japan and Khabarovsk, Russia. Tourism Victoria markets Victoria in key markets domestically and internationally. Tourism Victoria and the City support the Sister Cities campaign by providing tourism materials and by making presentations to visiting delegations. Tourism Victoria co-sponsored the recent Japanese Cultural Exchange Festival held at the Victoria Conference Centre, in conjunction with the City of Victoria and the local Japanese Canadian community.

Cooperative Marketing

- ✓ The City uses several tools to market the benefits of working and living in Victoria, these include; working in cooperation with Trade & Commerce magazine to produce a marketing supplement for Victoria, working cooperatively with a team of other municipalities and the Province through an initiative called ***LINX BC*** to attract call centres to BC, and working with the Greater Victoria Economic Development Commission and the Capital Regional District to develop and complete the Greater Victoria portions of national and provincial databases that target American companies looking for relocation assistance.

Developing the Knowledge-Based Economy

Priority Actions

✓ support the retention and expansion of advanced technology companies

Human Resources

✓ The Vancouver Island Advanced Technology Association (VIATeC) has completed a business needs survey to forecast the human resources needs of advanced technology and manufacturing businesses. VIATeC hired a Human Resources consultant to assist local advanced technology companies with their HR needs.

Research and Development

✓ VIATeC has developed a strong partnership with and the National Research Council (NRC) and provides assistance and advice to companies seeking NRC funding. VIATeC offers regular presentations to the business community regarding NRC programs.

Venture Capital

✓ VIATeC offer local companies the opportunity to make venture capital proposals to a team of local banking, investment, financial and technology experts. These experts provide feedback and opportunities for improvement of business plans and presentations prior to the company making a pitch to potential investors.

Smart City

✓ The Greater Victoria Economic Development Commission led the way for the application of ***Smart City*** funding from the Federal Government. The *Smart Victoria* initiative will continue with ViaTec as a technical partner and encourage and facilitate the implementation of Information Technology (IT) in the community, government, institutions and business services throughout the region.

Call Centre Attraction

✓ VIATeC in partnership with the City of Victoria have partnered with educational institutions, local industry, Telus and the Province to work towards increasing the development and attraction of technical call centres to Victoria. The attraction of call centres is a means to stimulate the quality of entry level employment and retain college and university students in Victoria.

Victoria Advantages

✓ VIATeC with KMPG have developed a guide for business and CEO's to understand pay equity and comparisons between the pacific-northwest.

E-Commerce

✓ ViaTec has increased its focus on e-commerce and now offers the business community regular e-commerce presentations, a special interest e-commerce group and a listserv for communicating e-commerce issues has also been developed. This initiative is enabling local businesses to adapt and grow in the rapidly changing electronic economy. VIATeC has a full time E-Commerce Coordinator managing all of these initiatives.

Supporting the Tourism Industry

Priority Actions

- ✓ ensure adequate facilities/attractions
- ✓ attract an increased number of visitors to the city

Public Markets

- ✓ The City has supported the development of public markets downtown including the Government Street Market and the Chinese Night Market.

Family Attractions

- ✓ Tourism Victoria meets with business developers and discusses options for new family-orientated attractions in the downtown core on an ongoing basis.

Eco Tourism

- ✓ Tourism Victoria has advocated for the implementation of the CRD Blue-Green Strategy. Tourism Victoria also encouraged Greater Victorians to support the CRD opinion poll regarding parkland acquisition. Tourism Victoria actively promotes the outdoors as a key element of their product marketing mix. Municipal, regional parks and trail systems are promoted through Tourism Victoria's marketing activities and by their Visitor Services department.

Sport Tourism

- ✓ Tourism Victoria and Pacific Sport with support from the City of Victoria have launched the opening of a Sport Tourism Office in order to foster a successful bid strategy for the attraction major sporting events.

BC Ferries

- ✓ Tourism Victoria has worked with BC Ferries to develop price-sensitive packaging since 1998. Initial packages were advertised under the slogan "Cross the Pond" with a specific price point and call-to-action to Tourism Victoria's reservation department. In 1998 and 1999, Tourism Victoria worked with BC Ferries and Pacific Coach Lines to develop a price sensitive packaging campaign for the Leonardo da Vinci exhibit. These campaigns each drew several hundred-package bookings.

Cruise Ships

- ✓ Tourism Victoria is working in partnership with Westcan Terminals, King Brothers and Grayline of Victoria to promote and expand arrivals and departures of Cruise Ships to Victoria. Annual sales trips are made to cruise ship headquarters in San Francisco and Miami. In May 1999, Tourism Victoria hosted 950 travel agents traveling from San Francisco on the Holland America Nordham for a day of site inspections and tours throughout Victoria.